



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

October 20, 1983

SUBJECT: FmHA Borrower Participation in Agricultural
Stabilization and Conservation Service (ASCS)
Payment-In-Kind (PIK) Program

TO: State Directors, Farmer Program Chiefs,
District Directors, and County Supervisors, FmHA

A recent report by Office of the Inspector General for Audit indicates 40 percent of the FmHA loan cases reviewed did not have Farm and Home Plans prepared or revised to reflect their PIK Program participation. We realize that many loans were processed before availability of the PIK Program and the Farm and Home Plans were already prepared.

The PIK Program participation affects planned acreages, expenses and income and could affect FmHA credit needs as well as repayment ability. All Farmer Program borrower's case files should be checked to determine if their 1983 Farm and Home Plans reflect any participation in the PIK Program and revised as needed.

Charles W. Shuman

for
CHARLES W. SHUMAN
Administrator

Expiration Date: March 31, 1984

FILING INSTRUCTIONS: Preceding
FmHA Instruction 1924-B

